

THE HONORABLE RICARDO S. MARTINEZ

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON

BEAUTYKO LLC; LINOI LLC; SHOP  
FLASH USA INC.; BEAUTYKO USA  
INC.; AND BENNOTI USA INC.,

Plaintiffs,

v.

AMAZON FULFILLMENT  
SERVICES, INC.,

Defendant.

No. 2:16-CV-00355-RSM

AMAZON'S PROPOSED NEUTRAL  
STATEMENT OF THE CASE

Defendant Amazon Fulfillment Services, Inc. ("Amazon") sought to coordinate with Plaintiffs on a neutral statement of the case; unfortunately the parties were unable to come to agreement. As such, Amazon makes the following proposal:

To help you understand more about this case, I will give you a brief summary of the positions of the parties:

*Through its online retail marketplace ([www.amazon.com](http://www.amazon.com)) Amazon offers products for sale to its customers. Where, as here, Amazon is the seller, Amazon purchases the products in the first instance from vendors. Each of the Plaintiffs (Beautyko LLC, Linoi LLC, Bennoti USA Inc., Beautyko USA Inc., and Shop Flash USA Inc.) was a vendor to Amazon. Each of the Plaintiffs signed a contract with Amazon which governs this dispute. I will refer to this as the*

AMAZON'S PROPOSED NEUTRAL STATEMENT OF THE CASE  
(2:16-CV-00355-RSM) - 1

1 “Contract.” The Plaintiffs are related entities, which I will refer to collectively as “Beautyko.”  
2 Beautyko sold products to Amazon under the Contract. Both sides argue that the other side  
3 breached the Contract.

4 Beautyko asserts that Amazon breached the Contract by:

- 5 1. failing to pay Beautyko for goods shipped to Amazon; and
- 6 2. failing to observe reasonable commercial standards of fair dealing or being  
7 dishonest in its performance under the Contract (this is a claim that Amazon  
8 violated the duty of “good faith”)

9 Beautyko also has a claim based on promissory estoppel. Beautyko has the burden of  
10 proving these claims. Amazon denies these claims.

11 Amazon asserts that Beautyko breached the Contract by:

- 12 1. failing to provide full, accurate, and complete information about the goods it sold  
13 to Amazon;
- 14 2. failing to accept returns as required under the Contract when requested by  
15 Amazon; and
- 16 3. failing to observe reasonable commercial standards of fair dealing or being  
17 dishonest in its performance under the Contract (this is a claim that Beautyko  
18 violated the duty of “good faith”).

19 Amazon additionally asserts that Beautyko committed fraud by knowingly and intentionally  
20 misrepresenting product information when listing products for sale on Amazon. Amazon has the  
21 burden of proving these counterclaims. Beautyko denies these counterclaims.

22 Both parties claim that any damages suffered by the other should be offset by the  
23 damages that party allegedly caused. Both parties bear the burden of proving the existence of  
24 their respective damages, the amount, their right to any damage offset, and the amount. Both  
25 parties also assert the doctrine of unclean hands, Amazon asserts the defense of the parol  
26

1 evidence rule with respect to Beautyko's promissory estoppel claim, and Beautyko asserts the  
2 defense of waiver with respect to Amazon's Contract claim.

3  
4 DATED: November 8, 2017

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Amazon Fulfillment Services, Inc.

**CERTIFICATE OF SERVICE**

I hereby certify that on November 8, 2017 I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the parties who have appeared in this case.

/s/ Leslie Lomax  
Leslie Lomax, Practice Assistant